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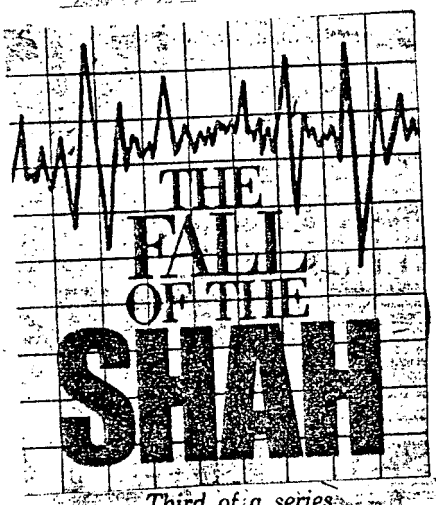
U.S. Urged 'Crackdown' on Opposition



Third of a series

By Scott Armstrong
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On Aug. 19, 1978, one of the most tragic theater fires of the 20th century took place in Abadan, a city in the heart of the rich oil-producing region of western Iran, now the object of attack and counterattack in the war with Iraq.

With the doors locked from the outside and firefighting equipment slow to arrive, nearly 500 people were killed, burned to death, suffocated or trampled.

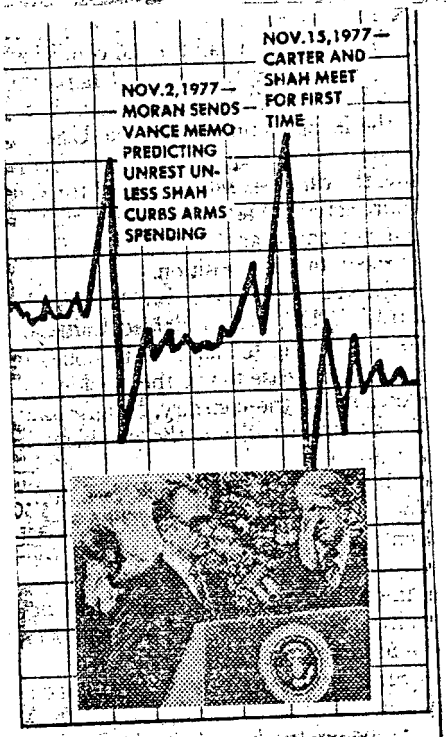
The Iranian government charged that the fire was caused by arson, set by Islamic fanatics who were opposed to liberalized rules that allowed theaters to stay open longer than in the past.

But the opposition claimed that while the film was being shown, several anti-shah activists had run inside seeking to elude agents of SAVAK, the Iranian secret police. They charged that the agents, after securing the shah's personal permission, had locked the doors and burned the movie house down.

In 1978, opponents of the shah did not need proof to hold him responsible for the most terrible of deeds. Soon after the fire, his regime's culpability for it was taken almost for granted. The terrible disaster further united the many disparate groups in Iran who wanted the shah out of power.

At about the same time, the important in-baskets in Washington had yet another draft of the CIA's National Intelligence Estimate on Iran. Entitled "Iran: Prospect Through 1985," the report declared: "Iran is not in a revolutionary or even 'pre-revolutionary' situation."

At the State Department, an intelligence analyst on Iran, George Griffin,



IRAN, From A1

wrote a dissenting footnote to the draft. While the CIA estimate agreed with the conclusions drawn by Ambassador William Sullivan, the embassy staff in Tehran and the State Department leadership, to Griffin it seemed simplistic and wrong. Not only had press reports been painting a different picture of life in Iran, but embassy cables and intelligence reports since June had cited a growing alliance between the Islamic traditionalists and the other, growing dissident segments of Iranian society.

Griffin consulted an old hand on Iran, Kermit Roosevelt, the CIA agent who had coordinated the U.S. participation in the 1953 "coup" that kept the Pahlevi dynasty in power. Roosevelt told Griffin that the shah was, in fact, a weak man, a "defective personality," who would fold under pressure in a "failure of will."

Faced with disagreement, the CIA analyst in charge of the draft withdrew it from circulation. The issues would be reexamined again later.

The Opposition

What most of these opposition groups in Iran shared were two goals: the removal of the shah from power and an end to what they perceived as foreign domination of Iran. It was perhaps the failure of American analysts to recognize the extent of the second of those goals that led to so great a misunderstanding of what Iran would be like after the shah was toppled.

Chief among the shah's opponents, of course, was the Ayatollah Ruhollah Khomeini. Sent into exile in 1963, Khomeini was living in Iraq, in the city of Najaf, the home of the most sacred Shiite Moslem shrine. Khomeini is now regarded by many in the West as leading Iran back into a religious dark age, but in 1978 he used the most modern of technological devices — the tape cassette — to smuggle his message of revolution back into Iran.

Constantly railing against the shah and urging Iranians to rid themselves of foreign influence, Khomeini's taped diatribes in the closing months of the year could be heard in nearly every mosque in the country. By the time of the Rex Cinema fire, Khomeini was the recognized symbol of resistance.

The theater fire in Abadan seemed not only to unite dissident groups in Iran but to have a deep, unnerving effect on the shah as well. Sullivan had just returned from Washington where he had lobbied on behalf of the shah's pared-down "wish list" of $10 billion in U.S. military hardware. To Sullivan, the shah suddenly seemed filled with self-doubt, a man who believed that nothing could work, who was no longer able to analyze events. The shah, according to Sullivan's reports to the State Department in Washington, was becoming unhinged.

According to one report, the shah told Sullivan that he had tried to suppress dissent with repression and that hadn't worked; he had tried to put in place a civilian government and that hadn't worked either.

Bitterly, the shah asked whether he should appoint a corrupt civilian government that would turn the populace against it and make it clamor for a more authoritarian military government with himself back in full command. "I have to demonstrate the bankruptcy of the moderate option," the shah told Sullivan, "so people will see that a government is necessary to prevent chaos."

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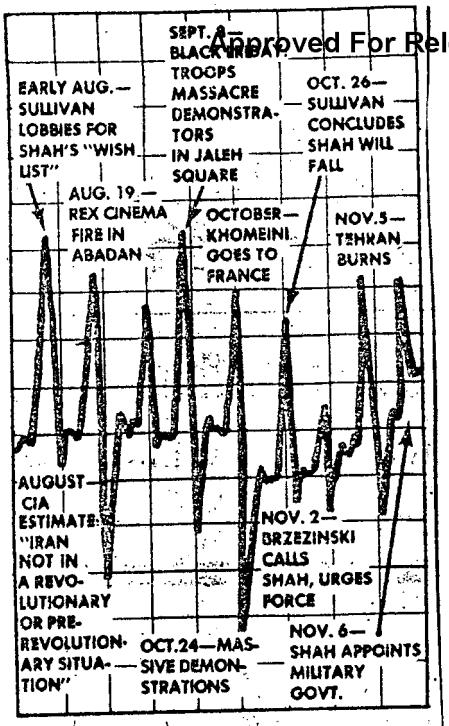

killed thousands of his countrymen, he would have to rule by force for the rest of life and would be unable to pass the throne on to his son.

According to some accounts, it was at this point that Sullivan and the United States first learned that the shah had cancer. By then, Sullivan already knew that the shah believed he had no more than a few years to live.

Violence continued to grow. In Amol, near the Caspian Sea, dissident student groups took control of the city. For the first time, the shah's families and friends spoke of a revolution in progress.

In Tehran, 10,000 students at the university marched in protest; in the south 30,000 oil field workers walked off their jobs.

The shah continued to offer concessions. He dismissed 34 senior SAVAK officials who had been accused of torture and other abuses. At what was said to be Sullivan' suggestion, he agreed to grant amnesty to the political prisoners on his birthday, Oct. 26. He said there would be no future political arrests.

"Feeding the crocodiles," Sullivan called it, unconvinced that the shah's reform gestures, which transferred no real power, were sufficient to quiet the opposition. Sullivan concluded that the shah's new prime minister, Sharif-Emani, was doomed and once more the shah would turn to him for advice.

The shah was under pressure from home to get tougher, to appoint a military government and turn it loose on the opposition. Gen. Hossein Rabii, who feared most of all the threat of communist subversion, complained to an embassy official: "His majesty is simply not being himself. He has got to assert himself or we'll make him assert himself."

By the the end of October, the news coming out of Iran had begun to divide the Carter administration. One viewpoint, shared by desk officers throughout the government familiar with daily events in Iran, maintained that the shah could not survive. The other camp, most forcefully represented by Brzezinski at the White House, believed the shah could stay in power and that the United States must make every attempt to keep him in power.

But Sullivan was concluding that the shah could no longer guide events as the all-powerful ruler. Leaving the Iranian military to its own instincts, he feared, would mean chaos — either bloody repression or mutinous troops. When Sullivan cabled the State Department asking for advice, he made two suggestions: Urge the shah to begin to truly accommodate his moderate opposition by allowing the creation of a real parliament and prime minister, retaining for himself only foreign policy and the military. And suggest that the shah leave the country for at least long enough to allow the new administration to restore order.

Sullivan's request for instructions were urgent. He talked directly with David Newsom, undersecretary for political affairs and the No. 3 man at State, who was typically passive. Newsom told Sullivan of the difficulties of getting instructions cleared through the White House and Brzezinski.

But Vance and some of his aides were struck by the picture Sullivan had painted. Sullivan was on the scene; his views should be considered.

On Oct. 27, when Iranian experts from all departments met at State for an all-day session, the consensus of Farsi-speaking analysts was that neither more liberalization, which Persians would perceive as weakness, nor repression, would save the shah. Someone suggested a straw poll. Of 30 or 40 people there, only four believed that the shah would be on his throne a year later.

Aides to Vance met with Brzezinski's Iran specialist, Navy Capt. Gary Sick, to respond to Sullivan's request for advice. Sick said that Brzezinski wanted stronger language making it clear that the shah should not capitulate in any way to his opposition. Nevertheless, Brzezinski, through Sick, agreed on sending Sullivan a cable suggesting that the shah should be encouraged to relinquish some of his domestic authority and leave on vacation.

It seemed, for the moment, to be a major shift in U.S. policy, albeit a secret one. But it lasted only for a moment.

The Pressure

On the day that cable was sent, the president received the shah's son, Crown Prince Reza Shah, at the White House. The young Iranian was a student at the U.S. Air Force Academy, and it was his 18th birthday. He was accompanied by Zahedi, now back in Washington.

"Our friendship and our alliance with Iran is one of our important bases on which our entire foreign policy depends," the president said in a public statement during the meeting.

Zahedi, who had learned that new secret instructions were on their way to the U.S. ambassador in Iran, was already busy trying to regain lost ground for the shah with a new expression of support from Carter. He got in touch with Brzezinski to complain. He warned other powerful American friends of the shah as well, including David Rockefeller, Henry Kissinger and John J. McCloy.

Rockefeller and Kissinger began calling contacts in the press and on Capitol Hill to bring pressure on the administration, warning that an Iran without the shah would rapidly turn communist.

McCloy went further than that. The former high commissioner to Germany after World War II, former president of the World Bank and chairman of the Chase Manhattan Bank, McCloy, at 83 years of age, was a partner in the law firm that represented the shah, Milbank, Tweed, Hadley & McCloy, one of the most prestigious law firms in the United States.

In letters and phone calls, McCloy urged Vance to support the most hardline aid for the shah, and to make it known that such support was coming. According to one State Department source, McCloy made it clear to Vance that he had also been in touch with the president.

According to one source with access to intelligence information, Zahedi opened another line of pressure, less subtle, to force a stronger endorsement from the president. Zahedi arranged for someone to contact Barbara Walters of ABC News and reveal Sullivan's new doubts about the shah and that U.S. support seemed to be declining. When Walters called Zahedi on the story, he at first seemed reluctant to talk

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of the type the shah's father had employed — when he had 25 mullahs hanged. "Human rights are no longer a problem," Naas said.

Gen. Philip Gast, the head of the U.S. military assistance group in Tehran, had a similar appraisal. All that was necessary was to concentrate on the infrastruture and management problems within the Iranian military. A member of the State Department team visiting at the time was surprised by Gast's "can do" talk. It seemed to conflict with the fact that Gast's office in the Iranian miltary headquarters had been without heat and electricity for a week.

On Nov. 5, the shah's attempts to bring members of the moderate opposition into his cabinet became stalled when Karim Sanjabi, a leader of the National Front, demanded along with Khomeini that the shah step down.

On that day, the worst wave of violence to date broke out. Demonstrators burned buildings and automobiles and attacked the British embassy. Tehran was aflame. Beginning to see conspiracies everywhere, some aides in the American embassy blamed the attack on the Iranian military. Sullivan thought the U.S. Embassy had been left alone because army leaders knew of the American call for repression.

That night, the shah met once more with Sullivan and Parsons. Despite his own best judgment, the shah said, he would have to let the military take command because even the moderate opposition, in the form of the National Front, had refused to deal with him.

He could, Sullivan said, appear composed and resolute for the first time in a long while. The shah said he had got a phone call the previous evening from Nelson Rockefeller, who told him to be tough, and that Kissinger, through Zahedi, had suggested that it was time to round up and rearrest all the political prisoners who had been released.

The shah said he would urge his military government, under the command of Gholam Reza Azhari, to rule with restraint. Some opposition leaders would be rearrested but not those of the National Front. The press would be closed for a few days because "soviets" of reporters had taken control from publishers and editors. The city would be quieted by flooding streets with troops and tanks. In contrast, some of his generals were talking about "hanging 10 mullahs or burning 10 mosques."

The shah said he was making a further attempt to split the moderate clergy, represented by the Ayatollah Shariat-Madari, away from Khomeini.

And finally, the shah told the two ambassadors, he was sure of one thing: If a military government failed to restore order, he was finished.